

PUBLIC SESSION MINUTES
North Carolina State Board of CPA Examiners
June 22, 2004
1101 Oberlin Road
Raleigh, NC 27605

MEMBERS ATTENDING: Norwood G. Clark, Jr., CPA, President; Leonard W. Jones, CPA, Vice President; O. Charlie Chewning, Jr., CPA; Jordan C. Harris, Jr.; and R. Stanley Vaughan, CPA.

STAFF ATTENDING: Robert N. Brooks, Executive Director; J. Michael Barham, CPA, Deputy Director; Lisa R. Hearne, Manager-Communications; Ann J. Hinkle, Manager-Professional Standards; Buck Winslow, Manager-Licensing; Angela Carter and Jack Nichols, Legal Counsel.

GUESTS: James T. Ahler, Executive Director, NCACPA; Sharon Bryson, Deputy Director, NCACPA; Tom Chenoweth, CPA, Highland Publishing Company; Michael C. Jordan, CPA; and John Rhatigan, NCSA.

CALL TO ORDER: President Clark called the meeting to order at 10:15 a.m.

MINUTES: The minutes of the May 17, 2004, meeting were approved as submitted.

FINANCIAL AND BUDGETARY ITEMS: The financial statements for May 2004 were accepted as submitted.

LEGISLATIVE AND RULE-MAKING ITEMS: President Clark convened the scheduled rule-making hearing to 21 NCAC 8G .0410. Mr. Ahler, Executive Director of the NCACPA, spoke in favor of the adoption of the proposed rule. No written comments were received for the Hearing. Messrs. Jones and Chewning moved to continue the rule-making hearing until August 23, 2004. Motion passed with five (5) affirmative votes and zero (0) negative votes.

NATIONAL ORGANIZATION ITEMS: Messrs. Chewning and Jones moved to determine and approve the Uniform CPA Exam grades as listed on the score notices released by the American Institute of CPAs (AICPA) for the exam sections taken in April and May 2004. Motion passed with five (5) affirmative votes and zero (0) negative votes.

STATE AND LOCAL ORGANIZATION ITEMS: Messrs. Jones and Vaughan moved to approve providing the name, address, and date of licensure of all North Carolina CPAs to the North Carolina Department of Revenue as requested by the Department of Revenue. Motion passed with five (5) affirmative votes and zero (0) negative votes.

REPORT OF THE PROFESSIONAL STANDARDS COMMITTEE: Mr. Vaughan moved and the Board approved the following recommendations of the Committee:

200310-046 - Stephen H. Gibson - Approve the signed Consent Order (Appendix I).
200312-075 - Robert Otto Camenzind - Approve the signed Consent Order (Appendix II).
200401-004 - David William McNeish - Approve the signed Consent Order (Appendix III).
200403-012 - Evalyn Denise Resetar - Approve the signed Consent Order (Appendix IV).
200404-015 - Close the case without prejudice.

Messrs. Vaughan and Chewning moved to approved the signed Consent Judgment for Maurice S. Hamilton, Case No. 200012-071. Motion passed with five (5) affirmative votes and zero (0) negative votes (Appendix V).

REPORT OF THE PROFESSIONAL EDUCATION AND APPLICATIONS COMMITTEE: Mr. Harris moved and the Board approved the following recommendations of the Committee:

Transfer of Grades Applications - The following was approved:

Heather Elizabeth Cotter (partial credit-Auditing and LPR)

Reciprocal Certificate Applications - The following were approved:

Dimple Jain

Alfred Richard Koenenn Jr.

Christopher Anthony Ricchiuto

Temporary Permits - The following temporary permits were approved by the Executive Director and ratified by the Board:

Elizabeth Bass Broadway T03041

Michael William Jackson T03042

Chad Eugene Johnson T03043

Charles J. Shearer T03044

Mark Vernal Erickson T03045

Stephanie Lynne Ferguson T03046

Ashley Truly McMillan T03047

Reissuance of New Certificate - An application for reissuance of new certificate and consent agreement submitted by Christopher Dean Mandaleris (#17304) was approved.

Firm Registrations - The following professional corporations and professional limited liability companies were approved by the Executive Director and ratified by the Board:

Cochran & Associates, CPA's, P.L.L.C.

Don Gwynn CPA PC

Chris Jackson CPA PLLC

TANNER & CO., CPA'S P.C.

WILLIAMS LOONEY PLLC

Reclassifications - The Committee approved the following requests for retired status because the individuals are completely retired and do not receive any earned compensation for current personal services in any job whatsoever:

John R. Beattie #27917
Edward L. Bishop #24592
Robert Allen Bratton #19023

John R. Dalrymple #12847
Nathan T. Garrett #2369
Richard Webb Pipes #9507

CPE Information Item - Staff attended three CPE courses offered by the NCACPA and completed independent assessment reports. The Committee reviewed the reports

Extension Requests - The Committee approved the following individuals for extension for completion of CPE until the dates noted:

Sheila Clausen #28893 (1/2/04)
Courtney Hester #22307 (6/30/04)

Constance Reid #16609 (6/30/04)
Candace Tobin #13757 (4/7/04)

Requests submitted by the following individuals were disapproved:

Robert W. Barnes #15032
Beth A. Edmondson #17723

Examinations - The Committee reviewed and approved the following staff approved applicants to sit for the CPA Examination:

Andrew Gregory Baker
Julie Ann Barefoot
Brandy Nicole Bennett
Brian Paul Bentley
Marcia Helene Benz
Rhonda Thompson Borgman
Stuart Holmes Bracken
Jody Hayes Bridgers
William Sherwood Brown III
Dawn Knox Brunet
Kristy Renee Buck
Gregory Dennis Burns
Mary Lynne Caldwell
Kimberly Renee Carland
Joseramon Carrasco
James Andrew Carros
Charles Clayton Christian
Victoria Elizabeth Coble

Cynthia Day Collie
Julia Patrice Collins
Daniel Michael Comeskey
Jeffrey Owen Copeland
Heather Elizabeth Cotter
Roger McLaine Cox
Martha Slavinski Crabtree
Leslie Ann Curtis
Sunita Jagdish Dave
William Bradford Davis
April Day
Patrick Shane Decareaux
Raymond Andrew Dennis
Megan Kathleen Dix
Elizabeth Ann Dray
Yasmine L. El-Ramly
Tonya Renee Farley
Katharine Lauren Fink

Julia Eaker Gardner
Daniel Clay Gibbs
Courtenay Taylor Gilbert
April Kristina Goodman
Drew Michael Goodson
Karen Lee Gueldner
Jennifer Freeman Hackim
Julie Suzanne Hager
Jason Willard Haggins
Stewart Clayton Hare
Brennan Michael Hay
Debra Michelle Hemric
Matthew Clark Huneycutt
Jeffrey Ronald Hunt
Suzanne E. Ide
Theodore James Karr
Mark Allen Kelley
Yolande S. Koval
David Stephenson Lee
Jessica May Lucas
Merald Bess Manigault
Allan Clifford Mark
Suzanne McLamb Marks
Patrick Kiseli Mativo
Julie Heather Meister
Melissa Ann Mencer
Herman Lee Miller
Jeffrey Alan Mobley
Annalee Marin Moore
Shawki Kenyatta Moore
Frans Renee Moorrees
Julie Elizabeth Morgan
Koichi Moroto
William Garret Munster
Donald Lee Osborne
Min Y. Pak
Carol Ann Parrott
Anthony Wayne Perry Jr.
Erin Elizabeth Perry
Lori Halstead Perry

Gilbert Richard Peters III
Debra Jackson Pope
William Markland Porter
Shalinee Prasada
Lance Ingram Pritchett
Krista Suzanne Ratliff
John Fitzgerald Rauback
Sampson Parham Reavis Jr.
Justin Alexander Reese
Stacie Meredith Richardson
Kelly Richmond-Pope
Lyudmila Rudnitsky
Brandy Nicole Scales
Virginia Anne Seippel
Sara Wehman Shodd
Michael Lavenskey Simmons
Charles John Skender
Sharon Faye Smith
Terry Lee Smith
Molly Beth Smothers
Timothy Abbitt Snead
Xiaojun Song
Clinton West Stanley
Charles Peter Straman
Tracy Amelia Sumner
Jared Michael Titzer
Julie Clem Toschlog
Robert Clinton Troxler
Randall Charles Vogel
Anjali Vyas
Elmer Glenn Wessel Jr.
Kathryn Irene Wheet
Rebecca Comer White
Shannon Teah Willert
Jialing Peng Wilson
Amy Ellen Woods
Yuladys Wrubel
Yen-Chan Wu
Renee Godwin Wuchich

Rescind Form of Practice Statement - The individuals listed below signed Form of Practice Statements due to their employment. However, due to a change in the licensees' employment, staff recommended that the statements be rescinded. The Committee approved staff recommendation.

Belinda Brantley #22273

David A. Perkins #20969

PUBLIC HEARING: President Clark moved to convene the Public Hearing scheduled to hear Case No. 200204-015, Elizabeth Rebecca Palmer. Neither Ms. Palmer nor an attorney representing her were present for the Hearing. Angela Carter, Board Legal Counsel, introduced Board Exhibits 1-17 into evidence. Messrs. Vaughan and Harris moved to approve a Board Order for Ms. Palmer (Appendix VI). The motion passed with five (5) affirmative votes and zero (0) negative votes. The entire Public Hearing is matter of public record.

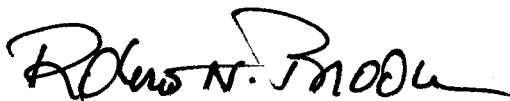
CLOSED SESSION: Messrs. Vaughan and Chewning moved to enter Closed Session to discuss a registration matter with Staff and Legal Counsel. Motion passed.

PUBLIC SESSION: The Board re-entered Public Session to continue with the Agenda.

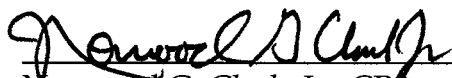
ADJOURNMENT: Messrs. Jones and Chewning moved to adjourn the meeting at 12:09 p.m. Motion passed.

Respectfully submitted:

Attested to by:



Robert N. Brooks
Executive Director



Norwood G. Clark, Jr., CPA
President

NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #: 200310-046

IN THE MATTER OF:
Stephen H. Gibson, #10406
Respondent

CONSENT ORDER

THIS CAUSE, coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to NCGS 150B-41 and 150B-22, the Board and Respondent stipulate the following Findings:

1. Respondent is the holder of North Carolina certificate number 10406 as a Certified Public Accountant.
2. Respondent has a history of alcohol abuse while operating a motor vehicle in North Carolina.
3. Respondent's history includes driver's license suspensions in North Carolina because of Driving While Impaired (DWI) convictions, the last conviction being March 19, 2004.
4. Respondent failed to disclose any of the DWI convictions or the driver's license suspensions on his individual certificate renewals.
5. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Order with the Board *ex parte*, whether or not the Board accepts this Order as written.

BASED upon the foregoing, the Board makes the following Conclusions of Law:

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes (NCGS) and Title 21, Chapter 8 of the North Carolina Administrative Code (NCAC), including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. Respondent's convictions of substance abuse related offenses could constitute acts discreditable to the accounting profession in violation of North Carolina General Statute (NCGS) 93-12 (9)e and 21 NCAC 8N .0201, .0203 (b)(1), and .0208 (a).

BASED on the foregoing and in lieu of further proceedings under 21 NCAC Chapter 8C, the Board and Respondent agree to the following Order:

1. Respondent is censured for repeated failures to disclose convictions and license suspensions on his individual CPA certificate renewals.



Consent Order - 2
Stephen H. Gibson

2. Respondent shall regularly attend Alcoholics Anonymous, another ongoing program, or seek professional counseling whose purpose is to prevent alcohol and substance abuse.
3. Respondent shall submit, upon reasonable request, to any physical, blood, breath, or urinalysis for detection of alcohol or controlled substances for a period of three (3) years to start from the date this Order is approved by the Board.
4. Respondent shall immediately surrender his CPA certificate to the Board pursuant to 21 NCAC 8J .0106 (a) for at least three (3) years upon detection of any alcohol or controlled substance or upon any conviction, plea of guilty or *nolo contendere*, or Prayer for Judgment Continued for any offense related to substance abuse.
5. Respondent shall file a written statement with the Board every six (6) months during the three (3) year monitoring period as to the status of his rehabilitation.
6. If Respondent fails to timely comply with any of the requirements as specified in paragraphs 2-5, Respondent's certificate shall be automatically revoked until such time as said requirements have been satisfied.
7. Respondent agrees to cooperate at all times with the Board in the supervision and investigation of compliance with this consent order and agrees to make all files, records, and other documents available immediately upon the demand of the Board.

CONSENTED TO THIS THE 25th DAY OF May, 2004.

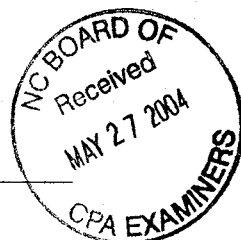
Stephen H. Gibson
Respondent

APPROVED BY THE BOARD THIS THE 22 DAY OF June, 2004.

BOARD
SEAL

NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS

BY: Norman B. Clark Jr.
President



NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #200312-075

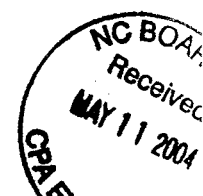
IN THE MATTER OF:

Robert Otto Camenzind, #13044
Respondent

CONSENT ORDER

THIS CAUSE, coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to NCGS 150B-41 and 150B-22, the Board and Respondent stipulate the following Findings:

1. Respondent Robert Otto Camenzind (hereafter "Respondent") is the holder of North Carolina certificate number 13044 as a Certified Public Accountant.
2. During the period from July 1, 2003, through September 25, 2003, Respondent conducted an audit and issued a report on the financial statements of the Forest City ABC Board.
3. After receiving in January of 2004 information including a copy of the audit, the North Carolina State Board of Certified Public Accountant Examiners (hereafter "Board") staff conducted a review of the audit report.
4. The Board staff's review disclosed numerous errors and deficiencies in the report indicating that Respondent failed to comply with generally accepted auditing standards (GAAS) as follows:
 - a. The audit work for the aforementioned audit engagement was performed by Respondent who did not have the appropriate technical training and proficiency as an auditor (AU 150.02). Specifically, Respondent did not obtain an understanding or apply new pronouncements on accounting principles.
 - b. There were numerous errors and deficiencies in the report indicating that Respondent did not exercise due professional care in the performance of the audit and the preparation of the report (AU 150.02).
 - c. Reporting entity disclosures did not conform to GAAP, specifically GASB 34, and the independent auditor's report did not express a qualification for this departure (AU 431.03, 508.35-42).
5. Respondent has cooperated with the Board in its investigation of this matter, and in responding to the circumstances and practices that were the subject of the Board's investigation.



Consent Order - 2
Robert Otto Camenzind

6. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Order with the Board *ex parte*, whether or not the Board accepts the Order as written.

BASED upon the foregoing, the Board makes the following Conclusions of Law:

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes (NCGS) and Title 21, Chapter 8 of the North Carolina Administrative Code (NCAC), including the Rules of Professional Ethics and conduct promulgated and adopted therein by the Board.
2. Respondent's actions as set out above constitute violations of NCGS 93-12 (9)e and 21 NCAC 8N .0103, .0209, .0212, .0403, and .0405.

BASED on the foregoing and in lieu of further proceedings under 21 NCAC Chapter 8C, the Board and Respondent agree to the following Order:

1. Respondent shall receive an unpublished reprimand.
2. Respondent shall obtain pre-issuance reviews of all audits until Respondent's CPA firm receives an unqualified opinion for a peer review which includes a governmental audit. The pre-issuance reviewer shall be approved by the Board prior to performing said reviews. Respondent shall authorize and cause the pre-issuance reviewer to provide to the Board a copy of each pre-issuance review upon its issuance.
3. Respondent shall, as part of the annual forty (40) hour Continuing Professional Education requirement, obtain sixteen (16) hours in Accounting and Auditing that must include eight (8) hours expressly related to GASB 34.

CONSENTED TO THIS THE 6th DAY OF MAY, 2004.

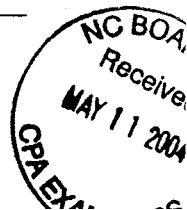
Robert O. Camenzind
Respondent

APPROVED BY THE BOARD THIS THE 22 DAY OF June, 2004.

NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS

BOARD
SEAL

BY: Norman B. Clark Jr.
President



NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #: 200401-004

IN THE MATTER OF:
David William McNeish, #14005
Respondent

CONSENT ORDER

THIS CAUSE, coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to NCGS 150B-41 and 150B-22, the Board and Respondent stipulate the following Findings:

1. Respondent is the holder of North Carolina certificate number 14005 as a Certified Public Accountant.
2. Respondent informed the Board on his 2003-2004 individual certificate renewal (renewal) that he had obtained twenty-eight (28) hours of continuing professional education (CPE) to meet the 2002 CPE requirement. However, Respondent also informed the Board on renewal that he earned some of said CPE between January 1, 2003, and June 30, 2003.
3. Based on Respondent's representation that prior to June 30, 2003, he had completed a total of forty-one (41) hours of CPE which included thirteen (13) hours of CPE carryforward from 2001, the Board accepted his renewal and placed his certificate on conditional status until June 30, 2004.
4. Board staff requested by letter that prior to November 1, 2003, Respondent provide course listings for the CPE reported to meet his 2002 CPE requirement.
5. Respondent, on his "2002 Report of CPE for CPAs on Conditional Status," provided CPE course listings to the Board indicating two (2) hours of CPE were taken in 2002; twenty-three (23) hours of CPE were taken between January 1, 2003, and June 30, 2003; and three (3) hours of CPE were taken after June 30, 2003.
6. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Order with the Board *ex parte*, whether or not the Board accepts this Order as written.

BASED upon the foregoing, the Board makes the following Conclusions of Law:

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes (NCGS) and Title 21, Chapter 8 of the North Carolina Administrative Code (NCAC), including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. Respondent's actions as set out above constitute violations of NCGS 93-12 (8b)a, 93-12 (9)c and 93-12 (9)e and 21 NCAC 8J .0101 (b), 8N .0202 (a), 8N .0202 (b)(3), 8N .0202 (b)(4), and 8N .0203 (b)(1).

BASED on the foregoing and in lieu of further proceedings under 21 NCAC Chapter 8C, the Board and Respondent agree to the following Order:


1. Respondent's application for renewal is insufficient and untimely under NCGS 150B-3(a). Hence, his certificate is automatically forfeited pursuant to NCGS 93-12 (8b).
2. Respondent must return his forfeited certificate to the Board with this signed Consent Order.
3. Respondent may not apply for the reinstatement of his certificate for at least ninety (90) days from the date the Board receives Respondent's forfeited certificate and until the civil penalty required in number five (5) of this Order has been paid by Respondent.
4. Respondent may apply to return his certificate to active status by submission and approval of a reinstatement application which includes:
 - a. Application form,
 - b. Payment of the application fee,
 - c. 3 moral character affidavits, and
 - d. 40 hours of CPE in 12 months preceding the application including an 8 hour accountancy law course as offered by the North Carolina Association of CPAs in a group study format.
5. Respondent shall pay a one thousand dollars (\$1,000.00) civil penalty to be remitted within six (6) months of the date this signed Order is accepted by the Board.
6. Before December 31, 2004, Respondent must obtain twenty (20) additional hours of CPE which cannot be used in meeting the CPE requirement for reinstatement or the forty (40) hour annual requirement for 2003 and 2004.

Consent Order - 3

David William McNeish

7. Respondent agrees that failure to timely comply with any terms of this agreement and consent order shall be deemed sufficient grounds for revocation of his license.

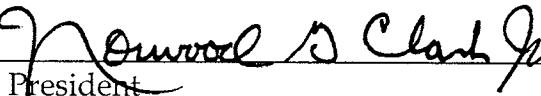
CONSENTED TO THIS THE 8th DAY OF June, 2004.


Respondent

APPROVED BY THE BOARD THIS THE 22 DAY OF June, 2004.

NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS

BOARD
SEAL

BY: 
President

NORTH CAROLINA
WAKE COUNTY

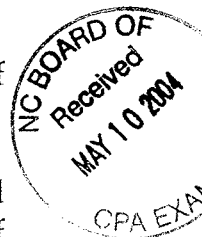
BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #: 200403-012

IN THE MATTER OF:
Evalyn Denise Resetar, #23180
Respondent

CONSENT ORDER

THIS CAUSE, coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to NCGS 150B-41 and 150B-22, the Board and Respondent stipulate the following Findings:

1. Respondent is the holder of North Carolina certificate number 23180 as a Certified Public Accountant.
2. Respondent informed the Board on her 2003-2004 individual certificate renewal (renewal) that she had obtained thirty-six (36) hours of continuing professional education (CPE) to meet the 2002 CPE requirement.
3. Respondent was informed by Board staff that she was four (4) hours short of her forty (40) hour CPE requirement.
4. Respondent completed four (4) additional hours of CPE on June 30, 2003, and on June 30, 2003, provided the Board with a copy of the certificate of completion for the additional CPE hours.
5. Respondent signed her 2003-2004 renewal declaring "under penalties of perjury . . . that the information in this application is true, correct and complete."
6. Based on Respondent's representation that prior to June 30, 2003, she had completed a total of forty (40) hours of CPE which included twenty (20) hours of CPE carryforward from 2001, the Board accepted her renewal.
7. The Professional Education and Applications Committee referred Respondent's second violation of 21 NCAC 8G .0401 within a five (5) year calendar period to the Board's Professional Standards Committee.
8. The Board's Professional Standards Committee recommended an Order which was approved by the Board on November 24, 2003, placing Respondent's certificate on conditional status until November 24, 2004, and ordering Respondent to pay a \$100.00 civil penalty to the Board for Respondent's second violation of 21 NCAC 8G .0401 within a five (5) year calendar period.

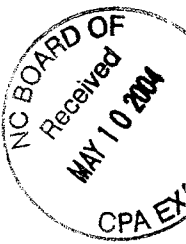


Consent Order - 2
Evalyn Denise Resetar

9. Board staff requested by letter that prior to January 15, 2004, Respondent provide course listings for the CPE reported to meet her CPE requirement.
10. Respondent, on her "2002 Report of CPE for CPAs on Conditional Status," provided CPE course listings to the Board indicating nine (9) hours of CPE were taken in 2002 and four (4) hours of CPE were taken between January 1, 2003, and June 30, 2003.
11. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Order with the Board *ex parte*, whether or not the Board accepts this Order as written.

BASED upon the foregoing, the Board makes the following Conclusions of Law:

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes (NCGS) and Title 21, Chapter 8 of the North Carolina Administrative Code (NCAC), including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. Respondent's actions as set out above constitute violations of NCGS 93-12 (8b)a, 93-12 (9)c and 93-12 (9)e and 21 NCAC 8J .0101 (b), 8N .0202 (a), .0202 (b)(3), .0202 (b)(4), and 8N .0203 (b)(1).



BASED on the foregoing and in lieu of further proceedings under 21 NCAC Chapter 8C, the Board and Respondent agree to the following Order:

1. Respondent's application for renewal is insufficient and untimely under NCGS 150B-3(a). Hence, her certificate is automatically forfeited pursuant to NCGS 93-12 (8b).
2. Respondent must return her forfeited certificate to the Board with this signed Consent Order.
3. Respondent may not apply for the reinstatement of her certificate for ninety (90) days from the date the Board receives Respondent's forfeited certificate and until the civil penalty required in number five (5) of this Order has been paid by Respondent.
4. Respondent may apply to return her certificate to active status by submission and approval of a reinstatement application which includes:
 - a. Application form,
 - b. Payment of the application fee,
 - c. 3 moral character affidavits, and

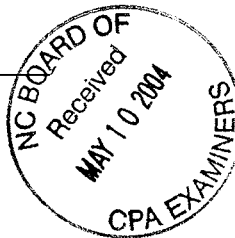
Consent Order - 3
Evalyn Denise Resetar

- d. 40 hours of CPE in 12 months preceding the application including an 8 hour accountancy law course as offered by the North Carolina Association of CPAs in a group study format.
5. Respondent shall pay a one thousand dollars (\$1,000.00) civil penalty to be remitted within six (6) months of the date this signed Order is accepted by the Board.
6. Before December 31, 2004, Respondent must obtain twenty (20) additional hours of CPE which cannot be used in meeting the CPE requirement for reinstatement or the forty (40) hour annual requirement for 2003 and 2004.
7. Respondent agrees that failure to timely comply with any terms of this agreement and consent order shall be deemed sufficient grounds for revocation of her license.

CONSENTED TO THIS THE 5th DAY OF May, 2004.

Evalyn Denise Resetar
Respondent

APPROVED BY THE BOARD THIS THE 22 DAY OF June, 2004.



NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS

BOARD
SEAL

BY: Howell A. Clark Jr.
President

NORTH CAROLINA
COUNTY OF WAKE

IN THE GENERAL COURT OF JUSTICE
SUPERIOR COURT DIVISION
04 CVS 00008

MAURICE S. HAMILTON,
Petitioner,

v.

NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT
EXAMINERS,
Respondent.

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CONSENT JUDGMENT

Petitioner, having filed a Petition for Judicial Review against the Respondent Board and the parties having agreed to the entry of a Consent Judgment, the parties do stipulate and agree to the following:

FINDINGS OF FACT

1. Petitioner Maurice Hamilton (hereinafter "Petitioner") has been licensed by the N.C. State Board of CPA Examiners since 1994.
2. Respondent N.C. State Board of Certified Public Accountant Examiners, (hereinafter "Board"), an agency of the State of North Carolina, is organized under the provisions of Chapter 93 of the General Statutes of North Carolina and is charged with such duties and exercises such powers as are provided therein, including taking disciplinary action against licensees and seeking injunctive relief against nonlicensees who violate Chapter 93.
3. In 1999, four clients filed separate complaints with the Board that Petitioner had failed to return client records.
4. The Board's investigators conducted an investigation of the consumer complaints in accordance with N.C. Gen. Stat. § 93-12 and Rule 8 I.0101(c).

5. Petitioner failed to respond to Board inquiries regarding the investigation. In June, 1999, Petitioner and the Board signed a Consent Order in which Petitioner agreed to a one-year suspension that was stayed on the condition that he violated no accountancy law or rules during the period of June, 1999 through June, 2000. The Consent Order also recites that Petitioner Hamilton informed the Board that he was dissolving his practice and moving out-of-state as of December 31, 1999.
6. The Petitioner did in fact move to Maryland on January 1, 2000 and currently still resides in the State of Maryland. The Petitioner mailed letters (U.S. regular mail) to some of his existing clients as well as posted the information on his old North Carolina office door that he was moving to Maryland and dissolving his North Carolina practice.
7. In November, 2000, two more complaints were filed with the Board, which alleged that for a period of fifteen months, Petitioner had refused to return records to clients upon demand. The Board notified the Petitioner; he subsequently returned the records to one complainant. That complainant requested his complaint be withdrawn.
8. On August 15, 2002, the Board and Petitioner signed a second Consent Order which suspended his certificate for one year, but the suspension was stayed; Petitioner agreed that he would voluntarily surrender his North Carolina CPA license and that he would not request reinstatement for at least one year. In addition, the Consent Order stated that the Petitioner would send a letter by certified mail, return receipt requested to all North Carolina clients for whom he still had records in his possession. The letter would attempt to return all client records and bring complete closure to the Petitioner's North Carolina practice and his associated responsibilities with respect to his North Carolina practice. The Board and Petitioner agreed to the language in an approved client letter.

9. On August 30, 2002, pursuant to the August 15, 2002 Consent Order, the Petitioner voluntarily surrendered his license to the Board. In addition, the Petitioner did not request reinstatement prior to September 2003 as indicated in the said Order.
10. In order to determine whether Petitioner had complied with the second Consent Order, the Board staff attempted to contact Petitioner by his last known phone number, mailing and internet addresses. On December 11, 2002, the Board staff sent Petitioner a letter by certified mail, return receipt requested to the Petitioner's last known address. The letter was received and signed by some person other than Petitioner on December 13, 2002. The letter instructed Petitioner, consistent with the Consent Order to provide the Board office with the names, addresses and telephone numbers of those clients to whom he had sent the approved client letter. The Petitioner alleges that the letter was not forwarded to him; therefore, he did not respond to the letter.
11. When Petitioner failed to provide that information, the Board issued a Notice of Hearing and Show Cause Order at least fifteen (15) days before the November 24, 2003 Board meeting. That Notice of Hearing proposed to permanently revoke Petitioner's license for Petitioner's failure to abide by the terms of the prior Consent Orders.
12. The Petitioner contends that he was currently in the process of sending out the certified letters to the clients as required by the August 15, 2002, Consent Order. The Petitioner had witnesses from the storage company (where the client records are maintained) testify at the November 24, 2003, Hearing that he, as well as some of his agents, made several trips to inventory the accounting records in order to prepare them for delivery to the clients.
13. After hearing the matter, the Board issued Findings of Fact in its Board Order that:

8. Respondent has failed to comply with the terms of the Consent Order approved by the Board on August 16, 2003 which required that Respondent send a letter by certified/return receipt mail to all North Carolina clients whose records were still in Respondent's possession in an attempt to return all of those client records.

9. Respondent has failed to fully cooperate with the Board in its investigation of this Matter, which includes failure to fully respond in a timely manner to all inquiries of the Board or representatives of the Board and failure to claim Board correspondence from the United States Postal Service.

14. Based on such Findings of Fact, the Board concluded that Petitioner had violated the Consent Order and applicable laws and rules, and therefore ordered that Petitioner's license would be permanently revoked effective February 1, 2004, unless:

- a. By January 15, 2004, the Board received proof that the certified mail had been sent to all clients who were active in 1995 or subsequently;
- b. Within thirty (30) days of receiving a request from the Board staff, provide a list of all clients who have requested the return of their records as well as a copy of a receipt, signed by the client, documenting all client records returned to each of these clients.

15. On December 29, 2003, Petitioner filed this Petition for Judicial Review.
16. On January 14, 2004, Petitioner provided the Board's staff with copies of client letters and certified mail receipts from the US Postal Service (PS Form 3800) with the US postal stamp affixed to them as proof that the letters were sent US certified mail, return receipt requested as required by the November 24, 2003, Board Order.
17. The Board requested additional information from the Petitioner in February and March 2004 and the Petitioner responded.

18. Petitioner and Board have indicated that they wish to settle this matter without further litigation.

WHEREFORE, the Court makes the following:

CONCLUSIONS OF LAW

1. The Petition for Judicial Review was properly filed and this Court has jurisdiction of the subject matter and the parties to the Petition.
2. The Board has the jurisdiction and authority to enforce its statutes and regulations and to ensure that Petitioner complies with the Consent Orders and other Orders issued by the Board.
3. The Petitioner has the right to challenge any Orders that he deems as unfair, arbitrary, capricious, or otherwise incorrectly issued by the Board.
4. Petitioner represents that he has moved to Maryland and does not wish to continue to practice as a Certified Public Accountant in North Carolina and wishes to bring closure to his practice in North Carolina.
5. The Board represents that the Petitioner has moved to Maryland and the Petitioner is no longer a North Carolina CPA and he has complied with the August 15, 2002 Consent Order to the Board's satisfaction.
6. The Parties are willing to enter into a Consent Judgment.
7. The Court has reviewed the Record and the terms of the Consent Judgment.

WHEREFORE, BASED UPON THE CONSENT OF THE PARTIES & THE MATTERS OF RECORD IN THIS CASE, IT IS ORDERED, ADJUDGED, & DECREED THAT:

1. The parties agree that the certificate of Petitioner Maurice Stephan Hamilton to practice as a Certified Public Accountant in North Carolina has been voluntarily surrendered and

forfeited. Therefore, the Petitioner is no longer authorized by law to hold himself out as a North Carolina CPA.

2. Petitioner agrees to not engage in the public practice of accountancy in North Carolina, as prohibited by N.C. Gen. Stat. Chapter § 93.
3. Petitioner understands the meaning of the term “public practice of accountancy” and agrees to not engage in the public practice of accountancy, as defined by N.C. Gen. Stat. § 93-1(a)(5) as well as Rules 21 8A.0307 and 21 NCAC 8A.0308.
4. If Petitioner desires to have his certificate reinstated, he will apply for reinstatement under Board Rule 8 J .0106.
5. The Board agrees the Petitioner has fully complied with the November 24, 2003 Board Order.

Maurice Hamilton v. N.C. Board of CPA Examiners
04 CvS 0008, Wake County
Consent Judgment
7 of 8

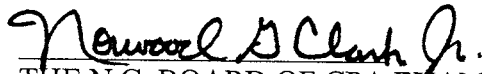
WE CONSENT:

PETITIONER:


MAURICE STEPHAN HAMILTON


June 5, 2004
DATE

RESPONDENT:


THE N.C. BOARD OF CPA EXAMINERS

June 22, 2004
DATE

This 22nd day of June, 2004.


SUPERIOR COURT JUDGE PRESIDING

Maurice Hamilton v. N.C. Board of CPA Examiners
04 CvS 0008, Wake County
Consent Judgment
8 of 8

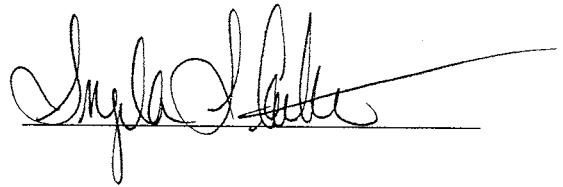
CERTIFICATE OF SERVICE

I hereby certify that the foregoing CONSENT JUDGMENT was served upon the following persons by mailing a copy via U.S. Mail, postage prepaid, addressed as follows:

MAURICE STEPHAN HAMILTON
Petitioner
18858 Bent Willow Circle
Germantown, Maryland 20874

ALLEN & PINNIX
M. Jackson Nichols
Attorney for Respondent Board
P.O. Box 1270
Raleigh, N.C. 27602

This the 23 day of June, 2004.

A handwritten signature in cursive script, likely belonging to M. Jackson Nichols, is written over a horizontal line.

NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #: 200204-015

IN THE MATTER OF:
Elizabeth Rebecca Palmer, #19983
Respondent

BOARD ORDER

THIS CAUSE coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, at public hearing, with a quorum present, the Board finds, based on the evidence presented at the hearing on June 22, 2004, that:

FINDINGS OF FACT

1. The parties have been properly identified.
2. The Board has jurisdiction over the Respondent and this matter.
3. Respondent received at least fifteen (15) days written Notice of Hearing of this Matter by personal service, certified mail, or other approved personal delivery.
4. Venue is proper and the Notice Hearing was properly held at 1101 Oberlin Road, Raleigh, North Carolina.
5. Respondent had no objection to any Board Member's participation in the Hearing of this Matter.
6. Respondent was not present at the Hearing and was not represented by counsel.
7. Respondent was the holder of a certificate as a Certified Public Accountant in North Carolina and is therefore subject to the provisions of Chapter 93 of the North Carolina General Statutes (NCGS) and Title 21, Chapter 8 of the North Carolina Administrative Code (NCAC), including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

8. In April of 2002, a complaint was received by the Board office from Richard J. Herman, (Mr. Herman), which he filed and signed as President on behalf of Leisure Craft Inc. (Client Company). In the complaint, Mr. Herman affirmatively stated that, during the period from March 2000 through September 2000, Respondent embezzled "substantial money" from Client Company and "subjected the company to other costs and losses" due to Respondent's "unprofessional conduct." (Exhibit 1)
9. On at least four (4) occasions, copies of the complaint and letters requesting Respondent's reply to the allegations were sent to Respondent's last known address by first-class or certified/return receipt mail. Said mail has been returned by the United States Postal Service as "Unclaimed" or "Unable to Forward."
10. In July of 2002, a Grand Jury for Superior Court Division, Henderson County, returned a True Bill of Indictment against Respondent citing that Respondent "unlawfully, willfully and feloniously did embezzle, fraudulently and knowingly misapply and convert to her own use, and take and make away with and secrete with the intent to embezzle and fraudulently misapply and convert to her own use \$36,984.76 in U.S. Currency belonging to Leisure Craft, Inc." (Exhibit 2)
11. Sometime in March of 2003, Respondent and Representatives of Client Company entered into a Release of Claim and Confidentiality Agreement by which Respondent agreed to pay Client Company the sum of \$65,648.21.
12. The embezzlement charges against Respondent were dismissed on March 31, 2003, based on the fact that Respondent "has made restitution for the stolen monies."
13. On March 29, 2003, Buncombe County issued warrants for four (4) counts of felony forgery of instrument and four (4) counts of uttering forged instrument against Respondent.
14. On April 2, 2003, Buncombe County issued warrants against Respondent for four (4) counts of embezzlement.
15. On March 3, 2004, Respondent was found guilty on one (1) count of embezzlement and four (4) counts of uttering forged instrument.

Board Order - 3
Elizabeth Rebecca Palmer

CONCLUSIONS OF LAW

1. Respondent's misappropriation of funds from her employer, Leisure Craft, Inc., constitutes violations of NCGS 93-12 (9) and 21 NCAC 8N .0201 and 8N .0203.
2. Respondent's felony conviction on one (1) count of embezzlement and four (4) counts of uttering forged instrument represents violation of NCGS 93-12 (9) and 21 NCAC 8N .0201 and 8N .0203.
3. Respondent's failures to respond to Board inquiries are violations of NCGS 93-12 (9) e and 21 NCAC 8N .0203 (b)(1) and 8N .0206.

BASED ON THE FOREGOING, the Board orders in a vote of 5 to 0 that:

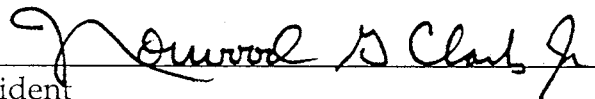
1. The Certified Public Accountant certificate issued to Respondent, Elizabeth Rebecca Palmer, is hereby permanently revoked.

This the 22nd day of June, 2004.

NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS

BOARD
SEAL

BY:
President



North Carolina State Board of Certified Public Accountant Examiners
1101 Oberlin Road Suite 104 • PO Box 12827 • Raleigh NC 27605-2827
Phone 919-733-1426 • Fax 919-733-4209 • www.state.nc.us/cpabd

RECORD OF COMPLAINT

Please answer all questions as completely as possible.

COMPLAINANT (your name): Leisure Craft Inc., Richard J. Herman, President

Address: PO Box 1700, Hendersonville, NC 28793

Daytime Phone Number: 828-693-8241 Fax: 828-693-1803

Your Attorney: Ervin L. Ball

Attorney's Address: 18-20 N. Spruce St. PO Box 7157, Asheville, NC 28802

Phone Number (W): 828-252-0682 Fax: 828-251-5784

RESPONDENT (licensee/CPA firm): Elizabeth Rebecca Palmer

CPA Firm Name & Address: _____

Home Address (if known): 87 Botany Dr., Asheville, NC

Phone Number (H): 828-231-4043 (W): _____

SUMMARY OF YOUR COMPLAINT

Please be as specific and detailed as possible regarding your complaint. Continue on the attached sheet, and if necessary, attach additional sheets.

Elizabeth Palmer was employed by Leisure Craft Inc. as Accounting Manager from March 2000 until Sept. 2000. She reported to the President and had full authority for all financial matters.

Subsequent to her termination, it was determined after a detailed investigation that Ms. Palmer had stolen substantial money from the Company and that her unprofessional conduct had subjected the company to other costs and losses.

The matter has been reported to the Henderson County Police (see report attached) and Indiana Lumberman's Insurance. The detailed report is attached in support of this complaint.

WITNESSES THAT CAN PROVIDE TESTIMONY SUPPORTING YOUR COMPLAINT (Please include addresses and phone numbers.)

Name: Richard J. Herman

Address: Leisure Craft Inc.

Daytime Phone Number: 828-693-8241

Name: David A. Nichols

Address: 2 Deep Notch Way, Travelers Rest, SC 29690

Daytime Phone Number: 828-693-8241

Name: Ervin L. Ball

Address: 18-20 N. Spruce St., PO Box 7157, Asheville, NC

Daytime Phone Number: 828-252-0682

RECEIVED

APR 9 2002

NORTH CAROLINA STATE
BOARD OF CPA EXAMINERS

EVIDENCE IN SUPPORT OF YOUR COMPLAINT

Please attach copies of invoices, reports, tax returns, financial statements, correspondence, contracts, agreements, or any documents in support of your complaint.

VERIFICATION

I affirm that the facts presented in the foregoing statement are true to the best of my knowledge and belief.

Signature: [Signature]

Date: 3-29-02

NC

State

Henderson

County

I, D. L. Corn, a Notary Public for said County and State, do hereby certify that Richard J. Herman personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand this official seal, this the 29 day of March, 2002.

D. L. Corn
Notary Public Signature

(SEAL)

My Commission Expires October 29, 2006

My commission expires _____

STATE OF NORTH CAROLINA

In the General Court of Justice
Superior Court Division

File No.

02CR03175

Henderson County

Film No.

STATE OF NORTH CAROLINA VERSUS

Defendant

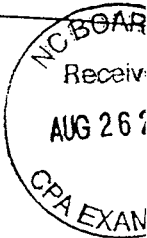
Elizabeth Rebecca Palmer

Date of Offense

Between 3/1/00
And 10/31/00

Offense in Violation of G.S.

§ 14-90

INDICTMENT
EMBEZZLEMENT

The jurors for the State upon their oath present that on or about the date of offense shown and in Henderson County the defendant named above unlawfully, willfully and feloniously did embezzle, fraudulently and knowingly misapply and convert her own use, and take and make away with and secrete with the intent to embezzle and fraudulently misapply and convert her own use \$36,984.76 in U.S. currency belonging to Leisure Craft, Inc. At the time the defendant was over 16 years of age and was the fiduciary of Leisure Craft, Inc. and in that capacity had been entrusted to receive the property described above and in that capacity she had received and taken that property into her care and possession.

Signature of Prosecutor

WITNESSES

☐ Becky Poole, HCSD☒ J. L. Rice, HCSD☐☐☐☐☐☐

The witnesses marked "X" were sworn by the undersigned Foreman of the Grand Jury and, after hearing testimony, this bill was found to be:

☒ A TRUE BILL by twelve or more grand jurors, and I the undersigned Foreman of the Grand Jury, attest the concurrence of twelve or more grand jurors in the Bill of Indictment.

☐ NOT A TRUE BILL

Date

7/22/02

Signature of Grand Jury Foreman

OC-CR-130

ev 7-82

Exhibit 2